



## OCCL LIMITED

### SUSTAINABLE PROCUREMENT POLICY AND CODE OF CONDUCT (FOR EXTERNAL & INTERNAL STAKEHOLDERS)

#### OUR VISION:

To Be Present in Every Tyre of the World

#### OUR MISSION:

While striving To Be Present in Every Tyre of the World, we will for:

#### OUR PEOPLE: Build Trust and Engagement by

- Creating Success Opportunities
- Enabling a Happy Environment

#### OUR CUSTOMERS: Build Trust and Reliability by

- Delivering Quality
- Optimizing Costs

#### OUR SHAREHOLDERS: Build Trust and Value by

- Delivering Sustainable Growth
- Being Socially Responsible

#### OUR VALUES:

- **CONTINUOUS LEARNING:** We will constantly expand upon our knowledge and skills
- **PASSION FOR EXCELLENCE:** We will strive to be the best
- **GROWTH MINDSET:** We will proactively seek opportunities to grow
- **CUSTOMER CENTRICITY:** We will put Customers at the center of all that we do
- **ONE TEAM:** We will work together for common goals
- **RESPECT AND CARE:** We will treat everyone with courtesy and kindness



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### BACKGROUND:

At OCCL, sustainability is a key element of business strategy. OCCL commits itself to ethical, sustainable, and socially responsible conduct and activities. The company aims to take ownership of the environment and society that it operates in, Employees, Customers, shareholders, stakeholders in order to achieve a sustainable, socially responsible, and profitable long-term business growth.

OCCL has taken a holistic approach to sustainability initiatives with focus on sustainable environmental, social, and economic development. Our Sustainable Procurement Policy and Code of Conduct, applies to all the OCCL Suppliers, Vendors and Third Parties. Our policy seeks to mitigate risks to environment, health & safety, society, and all stakeholders including employees. We expect that our valued supply chain partners will align their operations pertaining to us, in accordance with the principles as outlined in this Policy and adhere to all applicable laws and regulations. It is our endeavour that the way business is conducted throughout the OCCL's supply chain conforms to our own standards and is legally compliant. This policy reflects our approach towards ethics, business integrity, human rights, health and safety, environment, the local community and quality of product and operations.

### **OCCL is Committed to align with and adopt ISO 20400 for implementing Sustainable Procurement Management Systems across the Company Supply Chain.**

OCCL intends to integrate sustainable development into our procurement strategy, our day-to-day operations and relationships with Suppliers, Vendors and Service Providers. OCCL shall adopt and accept the systems and procedure as given in ISO 20400 and intends to implement the same in establishing Sustainable Procurement across its supply chain as it enables the Company to integrate sustainability into procurement in a systematic way. This will help the Company and all its Suppliers, Vendors and Service Providers to:

- a. Meet the demands of customers and other stakeholders.
- b. Assume responsibility for its respective supply chain.
- c. Identify legal, financial, and moral risks associated with sustainability in supply chain.
- d. Monitor and improve the sustainability performance of suppliers.
- e. Build supplier relationships that create long-term, sustainable value.

### SCOPE & APPLICABILITY:

This Policy applies to all employees (whether permanent, fixed-terms and temporary) associated with the company (across locations) at all levels and grades, including directors, senior executives, officers, trainees, casual workers, interns, or any other person associated with OCCL and engaged in the process of Procurement on behalf of the company.

The policy is applicable to all individual or organization, who transact with the Company and includes Suppliers, Vendors and Service Providers, business contacts, consultants, contractors, intermediaries, representatives, subcontractors, agents, and advisors.



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#### SUSTAINABLE PROCUREMENT VISION:

The Company shall endeavour to comply with all applicable legal and governance requirements and to minimize the environmental and social impacts of its business by adopting and implementing sustainable procurement practices. In this regard, the Company shall actively engage its Partners to promote and embed sustainable practices across the supply chain. The Company is committed to conducting all dealings with its vendors and Partners in a professional, fair, ethical, and transparent manner.

#### OBJECTIVES:

By agreeing to the policy, the Suppliers, Vendors and Service Providers commit to acting responsibly and to abiding by the following laid down principles:

- Comply with all relevant legislation and regulatory requirements.
- Promote sustainable awareness and assessment amongst Suppliers, Vendors and service providers and contractors.
- Procure sustainable products and services.
- Reduce the environmental impacts of construction and refurbishment projects.
- Include environmental, economic & social aspects when defining specification of goods and services.
- Include sustainable criteria when evaluating offers from potential Suppliers, Vendors and Service Providers.
- Promote awareness of sustainable issues and considerations within the user community.
- Develop measures of our sustainable practice using sector standards.
- Use the measures developed to monitor our sustainable practice with a view to seek continual improvement.
- Use the results of the monitored practice to benchmark our performance against similar organizations.
- Review & encourage of diversity concept (Female, Disable, minority etc.) in supplier selection & evaluation process.

#### SUSTAINABLE PROCUREMENT LONG TERM OBJECTIVES:

Parameters	Target	Target Year
Raise Supplier awareness on OCCL's Sustainable Procurement Policy and Code of Conduct	100%	2030
Instances of Supplier violation on local environment/social laws	NIL	2030
Coverage of TOP 20 Supplier to Sustainability and Social Responsibility Compliance review	100%	2030
Increase in % of sustainable goods/services Procured in more sustainable manner as a % of total Procurement	8%	2030
GHG Emission	Net Zero	2050



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#### ORGANIZATIONAL STRATEGY & COMMITMENT:

The culture of integrity and compliance in OCCL starts at the top. The Company is committed to the source responsibly and choose reputable business partners/Suppliers, Vendors and Service Providers who are committed to ethical standards and business practices compatible with that of OCCL.

We expect our Suppliers, Vendors and Service Providers to fully comply with applicable laws and to adhere to internationally recognized environmental, social, and corporate governance standards. We also expect our suppliers, Vendor and Service Providers to use their best efforts to implement these standards with their Suppliers, Vendors and Service Providers and Subcontractors in accordance with ISO 20400:2017 standard and the chemical industry's Responsible Care program.

The Company is committed to sustaining the highest legal, environmental, ethical, professional standards in the areas of human rights, labour, and environment, & anti-corruption. The Company shall strongly encourage Suppliers, Vendors and Service Providers to exceed the requirements of this policy and promote best practices and continuous improvement throughout their operations.

Our Sustainability goals are interwoven with the way we do business along our complete value chain. The company is signatory to the Science Based Targets Initiative (SBTi) and is member of the Indian Chemical Council (ICC). Our focus on Health, Safety and Environment is reflected in the wellbeing and safety of our people. All-inclusive efforts towards sustainability at various facets make us long term partners for our customers across geographies.

The purpose and strategic direction of the company is to create a sustainable future. The Company is continuously driving sustainability and is committed to treating all workers with respect and dignity, ensuring safe working conditions, and conducting environmentally responsible, ethical operations. We expect Suppliers, Vendors and Service Providers in our operations and supply chain, to embrace social, environmental, and ethical responsibilities like we do.



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## LEADERSHIP

### TOP MANAGEMENT:

The Management shall review periodically the implementation, progress, and status of the company's goals regarding development and implementation of Sustainable Procurement system for continuous improvement of company effectiveness with evidence as required. The Management shall demonstrate their commitment as follows:

- a) Taking accountability of the effectiveness of the sustainable procurement process and review company objectives and functional objectives.
- b) The Policy and objectives shall be established, documented, and made available for ready reference to the employees, Suppliers, Service Providers, and all stakeholders. They shall be compatible with the strategic direction and the context of the Company.
- c) The Company shall plan and implement the monitoring, measurement, analysis, and improvement processes needed to evaluate the effectiveness and efficiency of the procurement process. Promoting awareness of the process approach and risk-based thinking.
- d) Ensuring that the resources needed for sustainable procurement process shall be available and discussed in formal/informal meetings.
- e) Communicating the importance of effective system management and conforming to process requirements during management review meetings.
- f) Ensuring that the sustainable procurement process achieves its intended results and verifying the same with the help of internal audits and objective reviews.
- g) Engaging, directing, and supporting persons to contribute to the effectiveness of sustainable procurement process.
- h) By encouraging the use of reporting procedures for suspected and actual bribery/unlawful act in the procurement process.
- i) By ensuring that no personnel shall suffer, retaliation, discrimination, or disciplinary action for report made in good faith on the basis of reasonable belief of violation of the company's sustainable procurement policy.
- j) Once in a six month/annually management review shall be conducted for review of the activities and shall be attended by Top Management

### ORGANIZATIONAL ROLES, RESPONSIBILITIES & AUTHORITIES:

The company shall form 'Sustainable Procurement Committee' which shall be responsible for implementation and monitoring of the Sustainable Procurement Policy. The company's sustainable Procurement Committee comprises of the following:

1. Chief Financial Officer
2. President Operations
3. Head Procurement
4. Head HR
5. Head R&D
6. Dharuhera Plant Site Head
7. Mundra Plant Site Head



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Functional Heads for whom procurements are to be made and other members of supply chain to be reviewed by the committee may also be invited.

The Quorum of the committee meeting shall be four members with at-least any one of Chief Financial Officer or Head Procurement being present. The Sustainable Procurement committee shall be held responsible for:

- a) Implementation of the Sustainable Procurement and Code of Conduct Policy
- b) Ensuring that the Procurement process; code of conduct conforms to the applicable Laws and Standards.
- c) Providing advice and guidance to personnel on the sustainable procurement process and issues relating to it.
- d) Reporting on the performance of the sustainable procurement process and opportunities for improvement and the need for innovation.
- e) Ensure integrity of the procurement system is maintained when changes to the sustainable procurement management system are planned and implemented.
- f) Provide Confidential and secured platform (whistleblower procedure) to employees for reporting unlawful act without fear of repercussions.

The Sustainable Procurement Committee shall also define a set of responsibilities, authorities for all employees which shall be communicated within the Company. All employees within their respective department shall inform their Head of Department/Functional Head for any such conditions, which are adverse to the procurement process or adverse to the satisfactory operation of the system. The top management and all other personnel shall be responsible for understanding, complying with and applying the management system requirements, as they shall relate to their role in the Company.

The SPC shall report to the Managing Director and its reports shall be placed before a committee of the Board of Directors (as determined by the board) at least twice in a year.

#### **PLANNING:**

The organization shall take steps to implement its procurement system, by doing the following:

- a) **Detailed procedures:** develop detailed procedures that support our sustainable procurement commitment and cover all forms of unlawful acts like bribes, gifts, entertainment and expenses, facilitation payment and conflicts of interest, confidentiality, inequality etc.
- b) **Responsibility:** The Functional Heads to devise, implement, monitor, and improve the programme under the oversight of top management.
- c) **Business partners:** communicate our sustainable procurement commitment to our business partners and strive to align them with it.



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- d) **Awareness and Education of Employees:** provide communication and training to ensure that our employees understand the organization Goals, Policies and Procedures as well as the leadership's commitment to sustainable procurement and zero tolerance of any unlawful act.
- e) **Consequences:** ensure that appropriate measures shall be taken in the event that the policy is violated.
- f) **Monitoring and continuous improvement:** carry out regular reviews of this policy including internal audits, provide resulting reports to top management and the Board and take necessary actions to improve the system.

## BUSINESS INTEGRITY AND ETHICS:

### 1. BUSINESS INTEGRITY:

The highest standards of integrity to be expected in all business transactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited and may result in immediate termination of dealings.

### 2. CONFLICT OF INTEREST:

Suppliers are expected to report any conflict of interest in any business dealings with OCCL that supplier is aware of to allow us the opportunity to take appropriate action. It should be disclosed if any OCCL employee or professional under contract with OCCL may have significant ownership or interest in a supplier's business.

### 3. BRIBERY, CORRUPTION, GIFTS AND DONATIONS:

Suppliers in all commercial dealings with OCCL or otherwise must not receive or offer to make any illegal payments, gifts, bribes, donations, or other improper advantage in order to obtain unethical favours for the business. All suppliers must ensure that no action is taken to violate any applicable anti-bribery or anti-corruption laws and regulations in the locations of their operations and make every effort to eliminate all forms of corruption and bribery.

### 4. CONFIDENTIALITY:

Suppliers shall safeguard and respect OCCL's intellectual property; trade secrets and other confidential, proprietary, and sensitive information or data at all times and shall not disclose the same. The information provided by OCCL should be used only for its intended and designated purpose as decided and agreed upon between OCCL and the supplier.

### 5. ANTI-COMPETITIVE AND RESTRICTIVE TRADE PRACTICES:

Suppliers must comply with applicable local and international laws to promote free and fair competition and to get business by offering competitive prices and innovative products.



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## 6. NO IMPROPER ADVANTAGE:

No bribes or other means to be adopted for obtaining undue or improper advantage.

## 7. DISCLOSURE OF INFORMATION:

Information regarding business activities, structure, financial position, and performance is to be disclosed in accordance with applicable regulations and best industry practices.

## 8. INTELLECTUAL PROPERTY:

Intellectual Property Rights are to be respected; transfer of technology and know-how is to be done in a manner that protects Intellectual Property Rights.

## 9. FAIR BUSINESS, ADVERTISING AND COMPETITION:

Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

## 10. COMMUNITY ENGAGEMENT:

Community engagement is encouraged to help foster social and economic development. Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

## HUMAN RIGHTS:

### 1. FORCED OR BONDED LABOUR:

Forced bonded or indentured labour or involuntary prison labour is not to be practiced in any manner. Employment should be voluntary, and all employees should be free to leave upon reasonable notice.

### 2. CHILD LABOUR:

Child labour to be prohibited. The term Child refers to any person under the age of 15 (or 14 where the law of country permits), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is applicable. We support and appreciate the use of legitimate workplace apprenticeship programmes which comply with local laws and regulations applicable to such apprenticeship programmes.



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### 3. WORKING HOURS:

Working hours of employment to comply with national laws. Workers should not be required to work more than 60 hours per week, including overtime, except in extraordinary business circumstances with their consent, subject to local laws. Employees should be allowed at least one day off per week and there should not be any unfair labour practices.

### 4. WAGES AND BENEFITS:

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours, piece rates and other elements of compensation, and provide legally mandated benefits stipulated under local or international laws.

### 5. NON-DISCRIMINATION:

There should not be any unlawful discrimination in hiring and employment practices on the basis of race, colour, age, gender, sexual orientation, ethnicity, nationality, marital status, pregnancy, political affiliation, or as is prohibited under local law.

### 6. HUMANE TREATMENT:

All employees are treated with respect and dignity. There is no harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse.

### 7. FREEDOM OF ASSOCIATION:

Partners shall respect the legal rights of employees as is permissible under local law; and shall encourage employees to form such associations which undertake the overall welfare of the employees.

## SOCIALLY FOCUSED

### HEALTH AND SAFETY:

#### 1. OCCUPATIONAL HEALTH & SAFETY:

Worker exposure to potential safety hazards (for example, electrical & other energy sources, fire vehicle, and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventive maintenance, and safe work procedures (including lockout/tag out). Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate personal protective equipment. Workers shall not be disciplined for raising safety concerns.

#### 2. EMERGENCY PREPAREDNESS:

Emergency situations and events are to be identified and assessed, and their impact minimised by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.



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#### 3. INDUSTRIAL HYGIENE:

Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment.

#### 4. PHYSICALLY DEMANDING WORK:

Worker exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

#### 5. MACHINE SAFEGUARDING:

Physical guards, interlocks and barriers are to be provided and properly maintained for machinery used by workers.

#### 6. DORMITORY AND CANTEEN:

Workers are to be provided with clean toilet facilities, access to potable water and sanitary food preparation and storage facilities. Worker dormitories provided are to be clean, safe, and provide emergency egress, adequate heat and ventilation and reasonable personal space. Also the workers employed in the canteen should undergo regular periodic health check-up.

#### 7. HEALTH CHECK-UP:

Workers who are exposed to chemical and biological hazards should undergo regular periodic health check-up.

Partners should strive to implement recognized management systems such as ISO 45001:2018 to meet the above requirement.

#### LEGAL & REGULARITY COMPLIANCE:

All the employees, Suppliers, Vendors and Service Providers shall have to comply with all the applicable laws of the Land. In case of any breach of any such law on the part of any Suppliers, Vendors and Service Providers, the company has the right to terminate the contract forthwith without any prior notice or any applicable notice period. Moreover, if such a breach exposes the company to any legal litigation or financial liability, the concern supplier, vendor & service provider shall indemnify the company of any such liability.

All Suppliers, Vendors and Service Providers shall comply with all laws governing Safety, Health and Environment at their workplace, all laws covering the commercial and business activities like Direct & Indirect tax acts, Company Act, and all applicable laws pertaining to employment and Labour such as

- i. Industrial Employment Standing Order Act, 1946
- ii. Payment of Wages Act, 1936
- iii. Minimum Wages Act, 1948
- iv. Payment of Bonus Act, 1965
- v. Factories Act, 1948
- vi. Contract Labor (Regulation & Abolition) Act, 1970
- vii. Interstate migrant workmen (regulation and employment and conditions of service) Act, 1979, if the contractor has engaged migrant labor



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- viii. Private security agencies (regulation) Act, 2005 for Contractor engaged for security services in the Company premises
- x. Equal Remuneration Act, 1976
- xi. Bonded Labor system (Abolition) Act, 1976
- xii. Child Labor (Prohibition & regulation) Act, 1986
- xiii. Employee Compensation Act, 1923
- xiv. Employees State Insurance Act, 1948
- xv. Employees Provident Fund and Misc. Provision Act, 1952
- xvi. Payment of Gratuity Act, 1972
- xvii. Indian Prevention of Corruption Act, 1988

#### **GREEN INSPIRED:**

##### **1. REDUCING CARBON EMISSION AND WATER INTAKE:**

We suggest that our suppliers identify sources of carbon emission and make progressive efforts towards reducing carbon emissions. Opportunities for reduction in water & other non-replenishable resources usage should be identified and measures for conservation should be implemented.

##### **2. EFFICIENT SYSTEMS AND PROCESS**

Suppliers should strive towards enhancing the efficiency and performance of the equipment's and processes by continual improvement, monitoring and assessment of technology. Good practices should be followed to ensure environmental resources are valued and protected.

##### **3. REDUCING USAGE OF HAZARDOUS AND TOXIC MATERIALS AND SUBSTANCES.**

We expect our suppliers to assess their use of hazardous and toxic material and take necessary steps to reduce it, as much as possible. Appropriate substitutes and replacements should be introduced to minimise exposure to such material.

##### **4. DISPOSAL OF TOXIC WASTE:**

Toxic waste should be handled with professional guidance and mechanism should be put in place to dispose-off the waste as per the laid down procedure or to the authorised waste processors. Toxic waste should not be allowed outside the premise without proper approval.

##### **4. RENEWABLE ENERGY**

We recommend our suppliers to use renewable sources of energy (Solar, wind etc.) wherever possible. The suppliers should take steps to identify the scope of replacing conventional sources of energy with sustainable and renewable sources in their operations.



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## 5R (REDUCE, REPROCESS, REUSE, RECYCLE AND RECOVER)

### 1. ZERO WASTE TO LANDFILL

Waste to landfill should be analysed and suppliers should try and set targets to reduce the quantity of disposal to landfills. Alternate waste disposal techniques should be adopted in order to reduce the impact on the environment.

### 2. RESPONSIBLE CONSUMPTION OF RESOURCES

We recommend our suppliers to optimise use of all resources, including virgin raw material, in their processes. The supplier should look for opportunities to reduce resource consumption by improving efficiency, investing in advanced technology, reusing material by innovating products and processes. The supplier should minimise dependence on scarce natural resource by identifying and using appropriate replacements.

### 3. PACKAGING MATERIAL

Suppliers should try and take steps to reduce the environmental impact of their packaging material by recycling, developing innovative practical solutions to modify the design for optimum use of Raw Materials including Recycled materials. Practices to monitor and minimise environmental impact should be imbibed in organisation's processes. We recommend that our suppliers inculcate such practices in their operations and start new initiatives to reduce their impact on the environment.

### QUALITY CENTERED:

Ensuring quality and adherence to manufacturing and product standard is of prime importance to us.

### QUALITY MANAGEMENT SYSTEM:

We expect our Suppliers, Vendors and Service Providers to establish quality objectives, policies, manual, and procedures and have in place a certified Quality Management System by Competent authority like ISO. The Suppliers, Vendors and Service Providers should comply with local regulations, registrations; have trainings, management reviews and internal audit to ensure that the Quality Management System is effective.

### 1. FACILITY AND MACHINERY:

We expect our Suppliers, Vendors and Service Providers to give utmost importance to equipment in terms of safety, design, health & efficiency.

### 2. MANUFACTURING PRACTICES AND QUALITY CONTROLS:

We expect our Suppliers, Vendors and Service Providers to have in place established manufacturing and packaging operations with proper maintenance of records along with process controls and finish product release program.



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### 3. MATERIAL MANAGEMENT:

We expect our Suppliers, Vendors and Service Providers to have in place established practices for storage, handling, and transportation of raw material and risk prevention measures through good warehousing practices and proper handling of rejected items.

### IMPLEMENTATION OF POLICY:

We understand that our Suppliers, Vendors, and Service Providers fall under different categories in terms of their scale, the product/service they supply, and the raw materials being used by them, their organization structure, and geographies of operation. Keeping these factors in mind, the Company has designed the policy in a manner that it works for the whole supplier base, although the level and type of compliance will vary depending on the type of the supplier and the principles applicable to them. All our Suppliers, Vendors and service providers shall be required to confirm their willingness to implement and comply with Sustainable Procurement Policy.

This policy shall be shared with the supplier/vendor/service providers while issuing/releasing Purchase Orders.

We expect our Suppliers, Vendors and Service Providers/Suppliers to set in place internal policies, governance structures, systems, processes and take any other relevant measures to ensure adherence to applicable laws and regulations in this regard. We shall work with our Suppliers, Vendors and Service Providers to identify issues that do not meet our expectations and help them in addressing the gaps identified, if any.

### OCCL SUPPLIER ASSESSMENT:

The Company shall follow a structured assessment and due diligence process for evaluation of existing and new contracts with Suppliers, Vendors and Service Providers. The Suppliers, vendors and service providers shall be assessed on the basis of Sustainability Audit check list and shall be scored according to their response. This score, along with other factors, shall be considered while starting or continuing business with the suppliers, Vendors and Service Providers.



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### **SUPPORT:**

#### **1. RESOURCE**

The Company shall identify and provide resources required in terms of qualified personnel, infrastructure, and systems for the establishment, implementation, and maintenance of the Sustainable Procurement Management system as well as improving its effectiveness. Adequacies of these resources shall be reviewed during Management Review, Internal Audits, Interested parties Complaint Review. The Sustainable Procurement Committee shall consider the capabilities of the existing internal resources.

#### **2. COMPETENCE**

- i. The Sustainable Procurement Committee shall identify the competency of employees performing activities affecting Sustainable Procurement based on performance review and shall provide necessary training and on the job training for the staff for upgradation the knowledge and achieve the necessary Competency. The skill matrix and training records shall be documented. Also training needs arising out of change in work or responsibilities shall be identified and provided.
- ii. The Company shall ensure that the necessary competence has been achieved and appropriate records for the education, experience, training, and qualification are maintained as per competency model.
- iii. New employees (including contract employees) shall be trained properly in the identified area. The effectiveness of the training provided, and action taken shall be evaluated afterward.

#### **3. AWARENESS & TRAINING**

- i. To ensure that all Directors, Employees, Consultants of the Company are aware of the policy and it's importance, a copy of the policy shall be provided to them, and they shall be advised that the policy is available on the company website for their review. They shall also be informed whenever significant changes are made, and a copy of this policy shall be provided to them.
- ii. Awareness of this policy shall form a part of the induction process for all Suppliers, Vendors and Service Providers, consultants, intermediaries, representatives, subcontractors, agents. All the existing employees and Suppliers, Vendors and Service Providers shall receive relevant awareness session on how to implement and adhere to this policy.



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#### 4. COMMUNICATION

The organization shall ensure internal and external communication between Functional Heads and various levels of employees as required regarding the processes of the Sustainable Procurement Management system and their effectiveness. These communications shall include:

- a. Periodic updates (where required)
- b. Update on any relevant ongoing project
- c. Issues of concern or compliance
- d. Any important update or change
- e. Any significant change in the policy

This policy shall be shared with the supplier/vendor and service providers while issuing/releasing purchase orders.

#### GRIEVANCE HANDLING MECHANISM:

The Company provides a confidential channel to report and seek redressal of grievances with respect to any incidence about possible violations that is in breach of the principles of ethics, integrity and Transparency of regulations or any other company policies. Report your Concerns/grievances at [grievance@occlindia.com](mailto:grievance@occlindia.com). Please note that the whistle blower identity will be kept confidential by OCCL.

The failure to do so will be a breach of this Policy.

#### TERMINATION CLAUSE IN CASE OF BREACH OF THE POLICY:

OCCL reserves the right to verify compliance with this policy through internal and external assessment mechanisms, such as self-assessment questionnaires, announced and surprised on-site audits and worker well-being surveys. Such audits may inspect Third parties/suppliers, Vendors and service providers, facilities, operations, books and records, and suppliers-provided housing, and may include confidential worker interviews. The company has planned and implemented the monitoring, measurement, analysis, and improvement process needed to evaluate the effectiveness and efficiency of Sustainable Procurement management system. The Company shall retain the documented information like functional objective monitoring sheet, Management review, and internal audits as evidence. If non-compliances are observed, the supplier shall be required to take corrective actions.

If Suppliers, Vendors and Service Providers fail to implement the recommended corrective action plans, do not remedy any act of non-compliance in a timely manner, or there is breach of any term or condition of this policy, whether intentional or unintentional, the company may, in its sole discretion and without any further obligation to Suppliers, Vendors and Service Providers, suspend purchases, refuse to take delivery under any purchase order and return any goods or services from the supplier until the corrective actions have been implemented, or may immediately terminate its business relationship/contract/employment with the Suppliers, Vendors and Service Providers/responsible employee in addition to any other rights or remedies available to the Company.



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#### DECLARATION FOR SUPPLIERS, VENDORS AND SERVICE PROVIDERS:

All the Suppliers, Vendors and Service Providers must comply with the policies, procedures and practices as described in the policy. To ensure that all the Suppliers, Vendors and service providers comply with the policy, they shall confirm their willingness to implement and comply with Sustainable Procurement Policy.

#### INTERNAL AUDIT:

Internal audits shall be performed regularly and the interval between audits of any department shall not be greater than six months. Unscheduled audits may be carried out at the discretion of the management or Chief Financial Officer based on the requirement. An internal audit of Sustainable Procurement Management System shall be carried out at least once in 6 months to determine whether Sustainable Procurement Management System:

- i. Conforms to the planned arrangements for Sustainable Procurement Management System and standard requirements,
- ii. Is implemented and maintained per the requirements our Sustainable Procurement Management System as per the policy.

The Sustainable Procurement Committee shall be responsible for the planning and implementation of the audit. All the employees shall follow the company's processes and adhere to the system of internal controls around supplier selection. Suppliers, Vendors and Service Providers, selection shall never be based on receipt of a gift, hospitality, or payment. The auditors, who are selected from within the company, shall however assist the responsible team. It shall be ensured that the auditors are independent of the specific activities or areas being audited by them and shall be provided training for audit. If the need arises, outside auditors can also be employed at the discretion of the Managing Director or Chief Financial Officer. Internal Auditors shall be responsible to execute audit as per plan and verify the effectiveness of the implementation of Sustainable Procurement management policy. The internal audit shall be scheduled in the Company based on the status and importance of the activity to be audited and the previous audit results. The Sustainable Procurement Committee shall prepare the audit plan covering the scope, schedule, and other details. The audit plan shall be circulated one week before audit to ensure the availability of respective HODs and auditors.

#### AUDIT REPORT AND FOLLOW- UP

The Auditor shall prepare a non-conformity report on completion of the audit and the non-conformity report shall be shared with the auditee. Audit findings shall be documented and used as the main formal means of resolving problems and deficiencies detected in the Sustainable Procurement Management system.

The respective HOD shall close the non-conformity within a maximum of 60 days, or such extended time as allowed by the Sustainable Procurement Committee. Such corrective action shall be verified to close the non-conformity. During the next audit, the implementation and effectiveness of the corrective action taken on non-conformity reports shall be reviewed and documented.



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All the audit findings and verification of audit results shall be reported to the top management for the review and evaluation of the system and shall also be discussed in the management review meetings. The audit plan/schedule, audit nonconformity reports, and clause wise audit checklist shall be maintained as evidence of the implementation of the audit program and the audit result.

#### **IMPROVEMENT ACTION:**

#### **NONCONFORMITY AND CORRECTIVE ACTION:**

The company shall establish the system for identification, documentation, evaluation, segregation, and disposition of non-conformity including audit results and customer complaints. The concerned person shall be informed for disposal of non-conformity. If a non-conformity is identified, then the Company shall take an appropriate action regarding the consequences of non-conformity. The details of non-conformity and concession accepted by the Chief Financial Officer, end user or other body as applicable shall be reported and documented. The Documented information of the nature of non-conformities and any subsequent actions taken, including concessions obtained shall be maintained.

The corrective action planning shall include the evaluation of the significance of problem affecting Sustainable Procurement System. The major or repetitive non-conformities shall be identified for taking corrective action as defined below:

- a. The functional Head shall review the non-conformities (including Suppliers, Vendors, and Service Providers, complaints) as identified in their area and analyses it.
- b. The root cause of non-conformities shall be identified.
- c. Considering the evaluation and aspects like costs of non-conformance, vs. action taken, random failure, customer satisfaction etc. need for action shall be evaluated to ensure that non-conformities do not reoccur.
- d. After analysis of the non-conformities for major or repetitive problems, the corrective action shall be planned.
- e. The results of action taken shall be documented and compared for results in non-conformity v/s results after action taken. If it is found not satisfactory, then the whole process shall be repeated.

After completion of corrective action, the report shall be forwarded to Sustainable Procurement Committee for review of the corrective action taken. The effectiveness of the corrective action shall be reviewed to check the adequacy of such measures. The summary of effectiveness of corrective action shall be discussed and reviewed in management review meeting. The Head Procurement shall maintain documented information on non-conformity identified and the subsequent action taken.



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### CONTINUAL IMPROVEMENT:

The process shall be laid down for continual improvement of the Sustainable Procurement Management System. The Sustainable Procurement committee shall take necessary action for continuous improvement in the adequacy, and effectiveness of the Sustainable Procurement Management system. The continual improvement of the system shall be facilitated through the use of this policy, objectives, and audit results, analysis of data, corrective action, and output of management review to determine need or opportunities.

### POWER TO AMEND:

- a. Any amendment in this policy shall be approved by either of MD, JMD, or Chief Financial Officer (CFO)
- b. This Policy shall supersede all other Policies and guidelines related to Sustainable Procurement and Code of Conduct for Vendors, Suppliers and Service Providers.
- c. The management shall have the overriding right to withdraw and/or amend the policy guidelines at its discretion from time to time. The decision of the management shall be final and binding in this regard.

### ENVIRONMENT & CLIMATE CHANGE:

#### 1. ENVIRONMENT PROTECTION:

OCCL Partners will function in a manner that is protective of environment. In manufacturing operations, adverse effects on the community, environment and natural resources are to be minimised while safeguarding the health and safety of the public. Partners must comply with all applicable environmental laws, regulations and standards, such as requirements regarding chemical and waste management and disposal, recycling, industrial wastewater treatment and discharge, air emissions controls, environmental permits and environmental reporting.

Partners must ensure that processes are in place to actively improve the efficiency with which finite resources, such as energy, water, and raw materials are used.

Partners should strive to implement recognized management systems such as ISO 14001 to meet the above requirement.

#### 2. PROHIBITION OF CONFLICT MINERALS:

We are committed for prohibition of conflict Minerals (known as '3TG' – Tantalum, Tin, Tungsten and Gold) in our product, process & supply chain.

#### 3. COMPLIANCE OF ROHS STANDARD:

We are committed for prohibition of Substance of Concern (SOC) as a part of RoHS which is a product level compliance based on the European Union's Directive 2002/95/EC . Products compliant with this directive do not exceed the allowable limits (as mentioned below) for the following restricted materials: lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls (PBB) and polybrominated diphenyl ethers (PBDE),



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#### Allowable limits:

Substance	Maximum Limit (PPM)
Lead (Pb) <sup>1</sup>	1000 PPM (0.1 weight %)
Cadmium (Cd) <sup>2</sup>	100* PPM (0.01 weight %)
Mercury (Hg) <sup>1</sup>	1000 PPM (0.1 weight %)
Hexavalent Chromium (Cr+6) <sup>1</sup>	1000 PPM (0.1 weight %)
Polybrominate biphenyls (PBBs) <sup>1</sup>	1000 PPM (0.1 weight %)
Polybrominate biphenyl ethers(PBDEs) <sup>1</sup>	1000 PPM (0.1 weight %)
Bis(2-Ethylhexyl) phthalate (DEHP)	1000 PPM (0.1 weight %)
Benzyl butyl phthalate (BBP)	1000 PPM (0.1 weight %)
Dibutyl phthalate (DBP)	1000 PPM (0.1 weight %)
Diisobutyl phthalate (DIBP)	1000 PPM (0.1 weight %)

#### 4. PROHIBITION OF ORGANIC POLLUTANTS:

As per regulation of persistent Organic Pollutants Rules, 2018 (issued by Ministry of Environment, Forest and Climate Change) , we are committed to prohibit to manufacture, trade, use, import and export of the following seven chemicals

- Chlordecone
- Hexabromobiphenyl
- Hexabromobiphenyl ether and heptabromodiphenyl ether (Commercial Octa-BDE)
- Tetrabromobiphenyl ether and Pentabromodiphenyl ether (Commercial Penta-BDE)
- Pentachlorobenzene
- Hexabromocyclododecane
- Hexachlorobutadiene

Hence, we will assure the absence of these chemicals in our product, process & supply chain.

#### 5. PROHIBITION OF BaP & PAH:

According to ANNEX XVII TO REACH – Conditions of restriction, we are committed for not to use extender oil in our product & production process having more than 1 mg/kg (0,0001 % by weight) BaP, or, more than 10 mg/kg (0,001 % by weight) of the sum of all listed PAHs (Polycyclic Aromatic Hydrocarbon) as below:



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- (a) Benzo[a]pyrene (BaP) CAS No 50-32-8
- (b) Benzo[e]pyrene (BeP) CAS No 192-97-2
- (c) Benzo[a]anthracene (BaA) CAS No 56-55-3
- (d) Chrysene (CHR) CAS No 218-01-9
- (e) Benzo[b]fluoranthene (BbFA) CAS No 205-99-2
- (f) Benzo[j]fluoranthene (BjFA) CAS No 205-82-3
- (g) Benzo[k]fluoranthene (BkFA) CAS No 207-08-9
- (h) Dibenz[a,h]anthracene (DBAhA) CAS No 53-70-3

Note: The standard EN 16143:2013 (Petroleum products — Determination of content of Benzo(a)pyrene (BaP) and selected polycyclic aromatic hydrocarbons (PAH) in extender oils — Procedure using double LC cleaning and GC/MS analysis) is to be used as the test method for demonstrating the conformity w.r.t. the limits.

#### 6. PROHIBITION OF ASBESTOS:

We are committed for prohibition of Asbestos in our product, process & supply chain.

#### 7. COMPLIANCE OF SVHC LIMIT AS PER LATEST ECHA/REACH GUIDELINE:

We are committed to notify the ECHA if our article contains a substance of SVHC Candidate List above 0.1% (w/w) and its quantities in the produced/exported products are above 1 tonne in total per year per company. It is applicable for our product as well as raw material.

Note: In general terms, an SVHC is a substance meeting one or more of the following criteria: Class 1 or 2 carcinogen, mutagen, or toxic for reproduction (CMR) Substance which is PBT (persistent, bio-accumulative, and toxic) or vPvB (very persistent and very bio-accumulative) in accordance with Annex III of REACH. This list is not a static list, and it is updated periodically by ECHA.

#### 8. POLLUTION:

We committed to identify sources of all type of pollutant (air, water & land) and make progressive efforts to prevent pollution. Stack & emission shall be reduced beyond legal requirements. Opportunities shall be identified and measures to prevent pollution shall be implemented.



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#### OBJECTIVE FOR SUSTAINABILITY:

- Reduction in Water Consumption with ultimate target of water neutral
- Reduction in Energy Consumption
- Reduction in SOX/NOX Level
- Reduction in waste generation (Both Hazardous & Non-hazardous)
- Use of recycled material
- Development of sustainable product
- No. of accident (LTI)-Nil
- No. of human right issue-Nil
- No. of ethical issue (corruption, bribery etc)-Nil
- Use of renewal source of energy
- Max. no. of tree plantation
- Net Zero in GHG emission till 2050.
- Reduction in GHG emission with aim of net zero by 2050.
- Zero use of globally restricted items (Metals, non-metals, minerals etc.)
- Reduction in supply chain emissions by 5% by 2026 (Baseline year: 2025)

Note: Please prepare measurable & time bound objectives for above objectives (where the targets are not set) & share the result

#### Goals & Objective shall be Based on following 17 Sustainable Development Goals (SDGS) To Transform Our World:

- GOAL 1: No Poverty
- GOAL 2: Zero Hunger
- GOAL 3: Good Health and Well-being
- GOAL 4: Quality Education
- GOAL 5: Gender Equality
- GOAL 6: Clean Water and Sanitation
- GOAL 7: Affordable and Clean Energy
- GOAL 8: Decent Work and Economic Growth
- GOAL 9: Industry, Innovation and Infrastructure
- GOAL 10: Reduced Inequality
- GOAL 11: Sustainable Cities and Communities
- GOAL 12: Responsible Consumption and Production
- GOAL 13: Climate Action
- GOAL 14: Life below Water
- GOAL 15: Life on Land
- GOAL 16: Peace and Justice Strong Institutions
- GOAL 17: Partnerships to achieve the goal



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**Responsibility of Policy Deployment: Head-Purchase**

**Policy Review Date: 01.07.2025**

**Next Review Date: 30.06.2026**

**Reviewed & Approved By: Chief Finance Officer (CFO)**